

TAB

BRIEFING NOTE ON EXTERNAL RESEARCH

EIC /S study of States' compilation of US Government-Sponsored Research on Foreign Areas failed to reveal any clear-cut cases of failure to coordinate external economic research contracts of greater than \$5,000 cost.

The Air Force reveals only the cost of its total contract with the RAND Corporation (currently about \$14 million). It claims that it would be too costly for them to provide information on the cost of subcontracts with RAND. Even Senator Fulbright failed last year to get cost data on these subcontracts. Some of these subcontracts which may be liable to EIC review are the following:

(Item numbers refer to the number given in the Oct-Dec '62 compilation of the External Research Staff):

1. Item 197, Soviet Economic Studies
2. Item 292, Measures of Soviet Investment and Industrial Output

Air Force also has a contract with the Air Research Division, Library of Congress for Annual Estimates of Demographic Composition of Soviet Bloc Countries (Item 142 of reference). This series may well exceed the value criterion for EIC review, as may Army's contract with the Research Analysis Corporation for Strategic Economic Studies of the United States and the Soviet Union (Item 200 of reference).

Recommendation: That the EIC be advised that the EIC /S plans to study the matter further and attempt to get a statement from Air Force as to whether or not the projects listed cost more than \$5,000.